REMARKS

Claims 1-16 are pending in this application. Claims 1-5, 7-12, and 14-16 stand rejected. Applicant wishes to thank the Examiner for the allowance of claims 6 and 13 but refrains from rewriting them at this time in independent form until final resolution of the underlying dependent claims. In light of the remarks set forth below, Applicant respectfully submits that each of the pending claims is in immediate condition for allowance.

Applicant notes that the IDS and corresponding PTO SB-08 submitted on October 29, 2004, was not acknowledged by the Examiner and returned to the Applicant. As such, Applicant includes a copy of the PTO SB-08 herewith and requests that the Examiner acknowledge receipt of the IDS.

Paragraph 1 of the Office Action objects to an informality in the specification on page 14. Applicant has amended the third paragraph on page 14 in light of the Examiner's comments. Therefore, Applicant respectfully requests withdrawal of the objection.

Claims 1, 3, 8, 10, and 15 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,262,770 ("Boyce"). Applicant respectfully requests reconsideration and withdrawal of this rejection.

To anticipate a claim under 35 U.S.C. § 102, the cited reference must disclose every element of the claim, as arranged in the claim, and in sufficient detail to enable one skilled in the art to make and use the anticipated subject matter. <u>See</u>,

PPG Industries, Inc. v. Guardian Industries Corp., 75 F.3d 1558, 1566 (Fed. Cir. 1996); C.R. Bard, Inc. v. M3 Sys., Inc., 157 F.3d 1340, 1349 (Fed. Cir. 1998). A reference that does not expressly disclose all of the elements of a claimed invention cannot anticipate unless all of the undisclosed elements are inherently present in the reference. See, Continental Can Co. USA v. Monsanto Co., 942 F.2d 1264, 1268 (Fed. Cir. 1991).

Among the limitations of independent claims 1, 8, and 15 not present in the cited reference is a display size obtaining unit which obtains a display size of image displayed on the display device and the corresponding steps of obtaining a display size of an image displayed on a display device in method claims 8 and 15.

The Office Action asserts that Applicant's explicitly recited display size obtaining unit and the corresponding step of obtaining a display size is disclosed in Boyce at col. 18, lns. 50-54. Applicant respectfully disagrees. In Boyce, there is a predetermined size for a main picture and a second predetermined smaller window for a picture-in-picture display. Because the picture-in-picture size is predetermined, there is no need to obtain the display size of the image as recited in Applicant's claim.

Applicant's explicitly recited invention is useful in such things as PC displays wherein a display window can be of varying sizes and therefore, the claimed invention can be used to determine the actual display size and use a decoding unit appropriate for the obtained size. This feature is not present in Boyce. Therefore,

Applicant requests that the Examiner withdraw the rejection and pass the claims to issue.

Claims 2, 4, and 5 depend either directly or indirectly from, and contain all the limitations of claim 1. These dependent claims also recite additional limitations which, in combination with the limitations of claim 1, are neither disclosed nor suggested by Boyce and are also believed to be directed towards the patentable subject matter. Thus, claims 2, 4, and 5 should also be allowed.

Claims 9, 11, and 12 depend either directly or indirectly from, and contain all the limitations of claim 8. These dependent claims also recite additional limitations which, in combination with the limitations of claim 8, are neither disclosed nor suggested by Boyce and are also believed to be directed towards the patentable subject matter. Thus, claims 9, 11, and 12 should also be allowed.

Claims 7, 14, and 16 stand rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,832,120 ("Prabhakar"). Applicant respectfully requests reconsideration and withdrawal of this rejection.

Among the limitations of claims 7, 14, and 16 not present in the cited reference is the luminance decoding unit that decodes the compressed moving picture in a resolution which is lower than a resolution used by the color difference decoding unit and the corresponding method recited in claims 14 and 16.

In Applicant's claim, a luminance decoding unit decodes the luminous component in the compressed moving picture in a first resolution. A color

difference decoding unit decodes the color difference component in the compressed moving picture in a second resolution wherein the resolution of the luminance decoding unit is lower than the resolution used by the color difference decoding unit.

In contrast, there is no change in resolution disclosed in Prabhakar. In Prabhakar, the chrominance values (CD and CR) vary. However, this is not a variance in the resolution used in decoding. As such, Prabhakar fails to disclose Applicant's explicitly recited claim limitations and Applicant requests reconsideration and withdrawal of the rejection and allowance of the claims.

Applicant has responded to all of the rejections and objections recited in the Office Action. Reconsideration and a Notice of Allowance for all of the pending claims are therefore respectfully requested.

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue.

If the Examiner believes an interview would be of assistance, the Examiner is welcome to contact the undersigned at the number listed below.

Dated: February 16, 2005

Respectfylly sybmitted

Ian R. Blum

Registration No.: 42,336

DICKSTEIN SHAPIRO MORIN &

OSHINSKY LLP

1177 Avenue of the Americas

New York, New York 10036-2714

(212) 835-1400

Attorney for Applicant

IRB/mgs

Enclosure - Copy of PTO SB-08, filed October 29, 2004